

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center.](#)

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 8, 1999

APPLICATION OF

COMM SOUTH COMPANIES OF VIRGINIA, INC.

CASE NO. PUC990037

For a certificate of public
convenience and necessity
to provide local exchange
telecommunications services

FINAL ORDER

On June 25, 1999, Comm South Companies of Virginia, Inc. ("Comm South" or "Applicant"), completed an application for a certificate of public convenience and necessity ("certificate") to provide local exchange telecommunications services throughout the Commonwealth of Virginia. Comm South also requested waivers of certain requirements of 20 VAC 5-400-180, the Rules Governing the Offering of Competitive Local Exchange Telephone Service ("Local Rules") to allow it to offer prepaid local exchange service.

Comm South proposes to offer residential prepaid month-by-month local telephone service, which blocks access to usage-based services, including directory assistance, operator services (including collect, third-party billed, and person-to-person calls), and toll services. Comm South proposes to provide unlimited local calling, access to 911 and E911

emergency services, toll-free services, telephone relay service, and optional services such as Call Waiting and Caller ID, without the imposition of credit checks or deposit requirements.

In order to provide this residential prepaid month-by-month service, Comm South requested waivers of § C 5 and certain provisions of § C 1 of the Local Rules requiring a new entrant, either directly or through arrangements with others, to provide access to directory assistance (§ C 1 d), access to operator services (§ C 1 e), equal access to intraLATA services (§ C 5), and equal access to interLATA long distance carriers (§ C 1 f) to all local exchange customers. The Applicant further requested a waiver of § D 3 of the Local Rules, which states that the prices for local exchange services provided by the new entrant shall not exceed the highest of the comparable tariffed services provided by the incumbent local exchange telephone company or companies in the same local serving areas.

By Order dated July 15, 1999, the Commission directed the Applicant to provide notice to the public of its application, directed the Commission Staff to analyze the reasonableness of the application and to file a Staff Report, and scheduled a public hearing to receive evidence relevant to Comm South's application.

On September 13, 1999, the Staff Report was filed. The Staff stated that the application is in compliance with the

Local Rules, except for the requirements from which Comm South has sought waivers.

The Staff did not object to Comm South's request for waivers from specific Local Rules subject to the following conditions: (1) the Company shall provide full disclosure to consumers about the services and features Comm South will and will not furnish to subscribers of its alternative prepaid month-by-month local exchange service. Sales brochures and other marketing and advertising materials must prominently disclose that service is restricted to residential end users and customers will have no access to directory assistance, operator services, long distance, collect and third-party calls, or any other pay-for-usage services; (2) any waivers granted to Comm South in this case are limited solely to the residential prepaid month-by-month local service described in the Company's filing; (3) any waivers granted to Comm South for its residential prepaid month-by-month local service should be subject to revocation, alteration, or the imposition of additional conditions such as pricing restrictions in the event the Commission subsequently determines the service is operating improperly or is not in the public interest; (4) any subsequent increase in the rate for prepaid month-by-month local service shall be subject to thirty (30) days' notice to the Commission and notice to customers provided through billing inserts or

publication for two (2) consecutive weeks as display advertising in newspapers having general circulation in the areas served by the Company; and (5) if at any time Comm South initiates a requirement of customer deposits, any deposits collected by the Company shall be retained in an unaffiliated third-party escrow account until such time as the Staff or Commission determines it is no longer necessary.

A hearing was held on September 28, 1999. Comm South provided proof of notice and service as directed by the Commission's July 15, 1999, Order. At the hearing, the proof of notice and service, the application with accompanying exhibits, and the Staff Report were entered into the record without objection. The Applicant agreed to the recommendations of the Staff.

NOW, having considered the application and the Staff Report, the Commission finds that such application, as well as the requested waivers, should be granted. Accordingly,

IT IS THEREFORE ORDERED THAT:

(1) Comm South Companies of Virginia, Inc., hereby is granted a certificate of public convenience and necessity, No. T-461, to provide local exchange telecommunications services subject to the restrictions set forth in the Local Rules, § 56-265.4:4 of the Code of Virginia, the provisions of this Order, and the conditions set forth in the Staff Report.

(2) Comm South shall file tariffs with the Division of Communications that conform with all applicable Commission rules and regulations from which the Applicant has not been granted a waiver.

(3) This case shall remain open to evaluate Comm South's residential prepaid month-by-month local exchange service.